

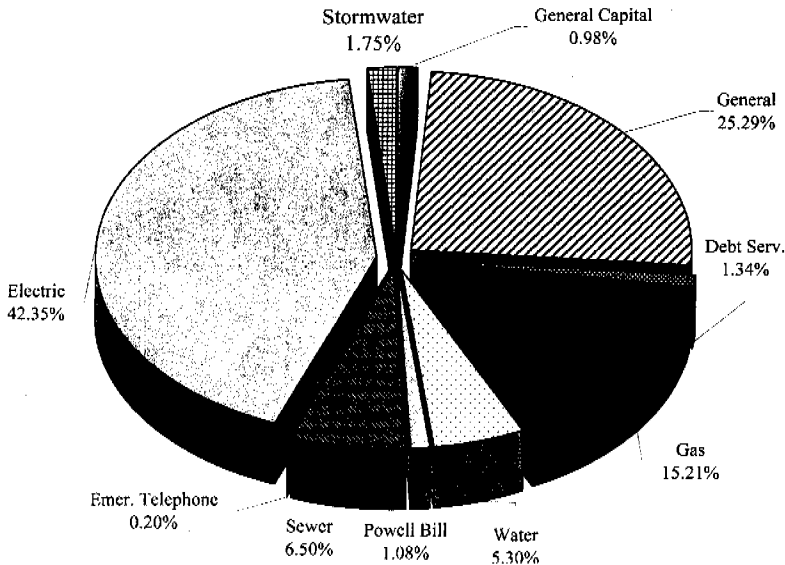
Budget In Brief

Fund Summary

The City of Rocky Mount's Total Operating Budget for FY 2007-08 is \$196,757,455. This represents a 4.3% decrease over the Projected FY 2005-06 Budget.

| | 2005-06 Actual | 2006-07 Budget | 2006-07 Projected | 2007-08 Proposed |
|--------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| General Fund | \$ 42,629,138 | \$ 48,706,095 | \$ 48,015,095 | \$ 49,765,270 |
| Powell Bill Fund | \$ 2,043,073 | \$ 4,062,320 | \$ 3,371,405 | \$ 2,131,000 |
| Emergency Telephone Fund | \$ 411,350 | \$ 380,000 | \$ 380,000 | \$ 390,000 |
| Debt Service Fund | \$ 3,262,728 | \$ 3,459,768 | \$ 3,459,768 | \$ 2,631,285 |
| General Capital Fund | \$ 976,628 | \$ 2,323,450 | \$ 2,679,769 | \$ 1,925,000 |
| Electric Fund | \$ 80,300,112 | \$ 87,879,828 | \$ 85,058,716 | \$ 83,321,365 |
| Gas Fund | \$ 31,919,285 | \$ 28,061,874 | \$ 30,665,874 | \$ 29,924,968 |
| Water Fund | \$ 9,682,615 | \$ 11,944,838 | \$ 11,739,970 | \$ 10,436,331 |
| Sewer Fund | \$ 11,027,229 | \$ 15,724,273 | \$ 15,869,535 | \$ 12,791,236 |
| Stormwater Fund | \$ 3,660,870 | \$ 4,345,650 | \$ 4,443,650 | \$ 3,441,000 |
| Total | \$ 185,913,028 | \$ 206,888,096 | \$ 205,683,782 | \$ 196,757,455 |

Expenditures by Fund

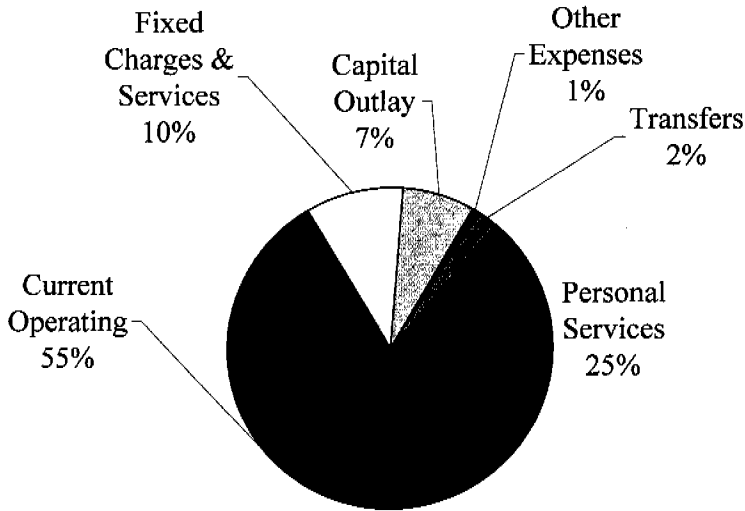


Budget Overview

Comparison of Expenditures

| | Personal Services | Current Operating | Fixed Charges & Services | Capital Outlay | Other Expenses | Transfers | Total |
|--------------------------|----------------------|-----------------------|-----------------------------|----------------------|---------------------|---------------------|-----------------------|
| General Fund | \$ 37,394,320 | \$ 10,318,970 | \$ 9,152,990 | \$ 3,188,050 | \$ (10,740,280) | \$ 251,220 | \$ 49,765,270 |
| Powell Bill Fund | \$ - | \$ 250,000 | \$ - | \$ 1,281,000 | \$ 300,000 | \$ 300,000 | \$ 2,131,000 |
| Emergency Telephone Fund | \$ - | \$ 30,000 | \$ 280,000 | \$ 80,000 | \$ - | \$ - | \$ 390,000 |
| Debt Service Fund | \$ - | \$ - | \$ 2,631,285 | \$ - | \$ - | \$ - | \$ 2,631,285 |
| General Capital Fund | \$ - | \$ 100,000 | \$ 772,000 | \$ 760,000 | \$ - | \$ 293,000 | \$ 1,925,000 |
| Electric Fund | \$ 4,112,076 | \$ 68,155,439 | \$ 1,664,769 | \$ 3,643,370 | \$ 4,245,711 | \$ 1,500,000 | \$ 83,321,365 |
| Gas Fund | \$ 1,222,981 | \$ 23,902,420 | \$ 153,037 | \$ 1,235,000 | \$ 2,411,530 | \$ 1,000,000 | \$ 29,924,968 |
| Water Fund | \$ 2,850,193 | \$ 2,670,900 | \$ 1,864,949 | \$ 1,129,500 | \$ 1,570,789 | \$ 350,000 | \$ 10,436,331 |
| Sewer Fund | \$ 2,206,485 | \$ 2,327,750 | \$ 2,390,660 | \$ 2,544,700 | \$ 3,321,641 | \$ - | \$ 12,791,236 |
| Stormwater Fund | \$ 1,524,770 | \$ 481,300 | \$ 217,830 | \$ 720,300 | \$ 496,800 | \$ - | \$ 3,441,000 |
| Total | \$ 49,510,825 | \$ 108,236,779 | \$ 19,127,520 | \$ 14,581,920 | \$ 1,606,191 | \$ 3,694,220 | \$ 196,757,455 |

Expenditures by Type



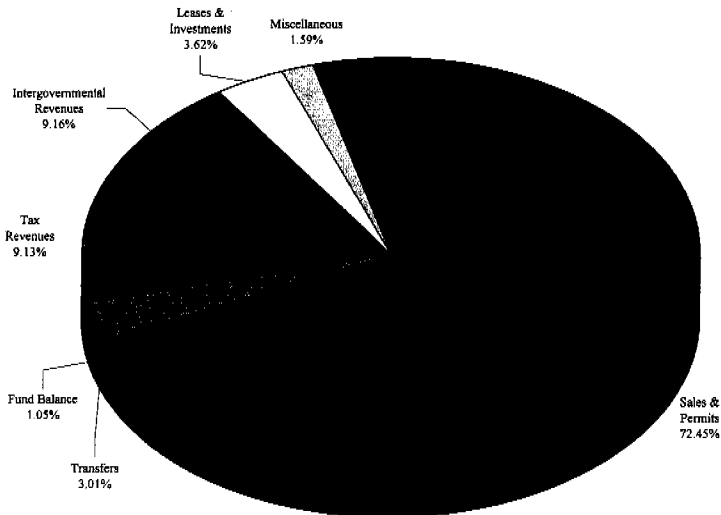
The largest category of expenditures is Current Operating (55%) which represents the purchase of wholesale gas and electric energy. costs are the second largest share of the total budget at 25%. Capital Outlay is 7% of the total budget compared to 5% last year. All categories are similar to last year.

Budget In Brief

Comparison of Revenues

| | Tax Revenues | Inter- Governmental | Leases & Investments | Miscellaneous | Sales & Permits | Transfers | Fund Balance Appropriated | Total |
|----------------------|----------------------|------------------------|-------------------------|---------------------|-----------------------|---------------------|------------------------------|-----------------------|
| General Fund | \$ 17,901,000 | \$ 14,876,900 | \$ 2,777,000 | \$ 1,230,120 | \$ 8,391,900 | \$ 2,988,350 | \$ 1,600,000 | \$ 49,765,270 |
| Powell Bill Fund | \$ | \$ 2,006,000 | \$ 100,000 | \$ 25,000 | | | | \$ 2,131,000 |
| Emer. Telephone Fund | \$ | \$ 355,000 | \$ 35,000 | | | | | \$ 390,000 |
| Debt Service Fund | | | | | | \$ 2,631,285 | | \$ 2,631,285 |
| General Capital Fund | \$ 68,000 | \$ 776,600 | \$ 442,000 | \$ 376,000 | \$ 262,400 | | | \$ 1,925,000 |
| Electric Fund | | | \$ 1,443,665 | \$ 987,700 | \$ 80,890,000 | | | \$ 83,321,365 |
| Gas Fund | | | \$ 440,000 | | \$ 29,285,000 | | \$ 199,968 | \$ 29,924,968 |
| Water Fund | | | \$ 107,000 | \$ 92,872 | \$ 9,977,000 | | \$ 259,459 | \$ 10,436,331 |
| Sewer Fund | | | \$ 1,355,000 | \$ 412,236 | \$ 11,024,000 | | \$ | \$ 12,791,236 |
| Stormwater | | | \$ 429,000 | | \$ 2,712,000 | \$ 300,000 | | \$ 3,441,000 |
| Total | \$ 17,969,000 | \$ 18,014,500 | \$ 7,128,665 | \$ 3,125,928 | \$ 142,542,300 | \$ 5,919,635 | \$ 2,059,427 | \$ 196,757,455 |

Comparison of Revenues



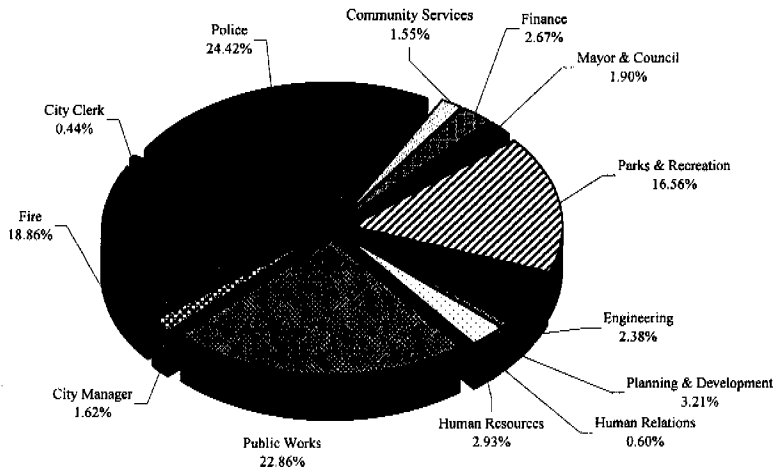
Charges for Service represent the largest share of the City's revenue due to utility sales for Gas, Electric, Water, Sewer and Stormwater. Revenues from Ad Valorem and Special District Taxes represent only 9.13% of the total budget.

Budget In Brief

General Fund Summary

| | 2005-06 Actual | 2006-07 Budget | 2006-07 Projected | 2007-08 Proposed |
|------------------------|----------------------|----------------------|----------------------|----------------------|
| Mayor & Council | \$ 330,431 | \$ 954,828 | \$ 791,578 | \$ 946,034 |
| Community Services | \$ 800,870 | \$ 919,729 | \$ 909,729 | \$ 769,030 |
| City Clerk | \$ 203,817 | \$ 227,043 | \$ 212,257 | \$ 219,042 |
| City Manager | \$ 753,084 | \$ 790,289 | \$ 720,655 | \$ 806,281 |
| Human Resources | \$ 593,119 | \$ 1,334,004 | \$ 1,336,362 | \$ 1,457,607 |
| Human Relations | \$ 253,486 | \$ 226,743 | \$ 207,837 | \$ 299,036 |
| Finance | \$ 743,926 | \$ 1,922,631 | \$ 1,015,190 | \$ 1,330,123 |
| Police | \$ 10,817,160 | \$ 11,503,893 | \$ 10,870,739 | \$ 12,152,666 |
| Fire | \$ 9,221,991 | \$ 9,176,331 | \$ 8,911,969 | \$ 9,385,639 |
| Public Works | \$ 9,050,682 | \$ 10,196,511 | \$ 8,920,359 | \$ 11,377,720 |
| Engineering | \$ 1,012,593 | \$ 1,181,043 | \$ 1,079,044 | \$ 1,184,448 |
| Parks and Recreation | \$ 7,033,085 | \$ 8,748,070 | \$ 8,558,326 | \$ 8,241,176 |
| Planning & Development | \$ 1,410,670 | \$ 1,524,980 | \$ 1,387,237 | \$ 1,596,468 |
| Total | \$ 42,224,914 | \$ 48,706,095 | \$ 44,921,282 | \$ 49,765,270 |

Expenditures by Department



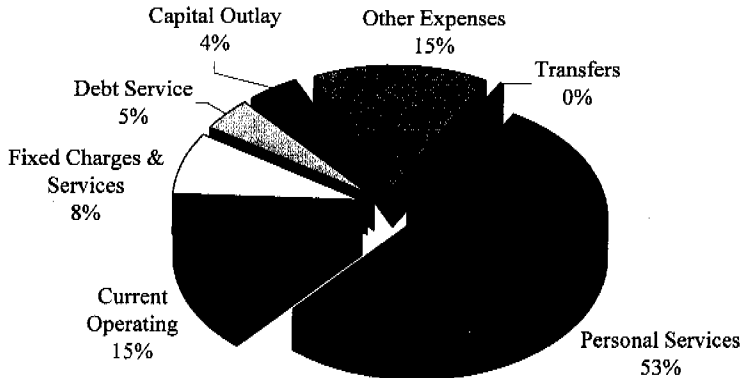
The General Fund Budget at \$49,765,270 represents an 2.2% increase over the FY06-07 Budget. Public Safety (Fire and Police) activities are 43.28% of the General Fund Budget. The Public Works Department is the next largest share at 22.86%.

Budget in Brief

General Fund Comparison of Expenditures

| | Personal Services | Current Operating | Fixed Charges & Services | Debt Service | Capital Outlay | Other Expenses | Transfers | Total |
|------------------------|----------------------|----------------------|-----------------------------|---------------------|---------------------|------------------------|-------------------|----------------------|
| Mayor and City Council | \$ 405,154 | \$ 520,480 | \$ 30,000 | \$ - | \$ - | \$ (9,600) | \$ - | \$ 946,034 |
| Community Service | \$ - | \$ 56,600 | \$ 717,610 | \$ - | \$ - | \$ (256,400) | \$ 251,220 | \$ 769,030 |
| City Clerk | \$ 221,092 | \$ 33,500 | \$ 5,000 | \$ - | \$ 2,500 | \$ (43,050) | \$ - | \$ 219,042 |
| City Manager | \$ 932,501 | \$ 123,800 | \$ 2,630 | \$ - | \$ 2,500 | \$ (43,050) | \$ - | \$ 1,018,381 |
| Human Resources | \$ 1,231,717 | \$ 146,090 | \$ 12,000 | \$ - | \$ 5,100 | \$ 62,700 | \$ - | \$ 1,457,607 |
| Human Relations | \$ 430,236 | \$ 30,550 | \$ - | \$ - | \$ 6,050 | \$ (167,800) | \$ - | \$ 299,036 |
| Finance | \$ 4,313,353 | \$ 1,275,720 | \$ 1,395,900 | \$ 250,000 | \$ 278,800 | \$ (6,183,650) | \$ - | \$ 1,330,123 |
| Police | \$ 10,558,066 | \$ 951,100 | \$ 95,000 | \$ 159,500 | \$ 389,000 | \$ - | \$ - | \$ 12,152,666 |
| Fire | \$ 8,167,089 | \$ 725,690 | \$ 11,800 | \$ 354,560 | \$ 126,500 | \$ - | \$ - | \$ 9,385,639 |
| Public Works | \$ 4,829,590 | \$ 3,998,360 | \$ 3,062,550 | \$ 433,120 | \$ 2,124,000 | \$ (3,069,900) | \$ - | \$ 11,377,720 |
| Engineering | \$ 1,194,008 | \$ 518,140 | \$ 181,900 | \$ 26,200 | \$ 54,000 | \$ (789,800) | \$ - | \$ 1,184,448 |
| Planning & Development | \$ 1,433,968 | \$ 156,300 | \$ 6,200 | \$ - | \$ - | \$ - | \$ - | \$ 1,596,468 |
| Parks & Recreation | \$ 3,877,546 | \$ 1,782,640 | \$ 323,350 | \$ 2,091,870 | \$ 160,900 | \$ - | \$ - | \$ 8,236,306 |
| Total | \$ 37,594,320 | \$ 10,318,970 | \$ 5,843,940 | \$ 3,315,250 | \$ 3,149,350 | \$ (10,500,550) | \$ 251,220 | \$ 49,972,500 |

Expenditures by Type



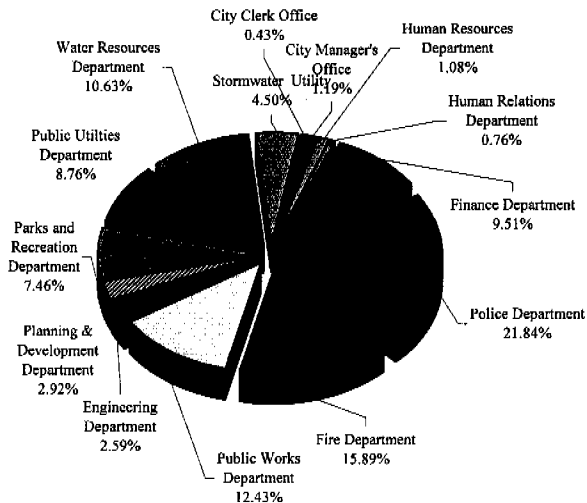
In the General Fund, the largest category of expenditures is Personal Services at 53%. The other two large categories are Current Operating and Other Expenses. Other Expenses represent the reimbursement from the utilities for services performed by the General Fund operations and charges for fleet maintenance services to all departments including those in the general fund.

Budget Overview

Positions by Department

| | 2005-06 Actual | 2006-07 Budget | 2007-08 Proposed | Change |
|-----------------------------------|-------------------|-------------------|---------------------|-----------|
| Department | | | | |
| City Clerk Office | 4 | 4 | 4 | 0 |
| City Manager's Office | 11 | 11 | 11 | 0 |
| Human Resources Department | 10 | 10 | 10 | 0 |
| Human Relations Department | 6 | 6 | 7 | 1 |
| Finance Department | 80 | 88 | 88 | 0 |
| Police Department | 200 | 200 | 202 | 2 |
| Fire Department | 147 | 147 | 147 | 0 |
| Public Works Department | 108 1/6 | 108 | 115 | 7 |
| Engineering Department | 25 | 24 | 24 | 0 |
| Planning & Development Department | 26 | 26 | 27 | 1 |
| Parks and Recreation Department | 67 | 69 | 69 | 0 |
| Public Utilities Department | 81 | 81 | 81 | 0 |
| Water Resources Department | 98 1/3 | 98 1/3 | 98 1/3 | 0 |
| Stormwater Utility | 40 1/7 | 41 2/3 | 41 2/3 | 0 |
| Total | 903 2/3 | 914 | 925 | 11 |

Positions by Department



Budget Development

The development of the City of Rocky Mount's budget takes place over a six month period during which the Five Year Capital Improvement Program (CIP) and the annual operating budget are prepared and submitted to the City Council. These two components are vital to the preparation of a budget that will fulfill the needs of the City.

Each year a calendar is designed to provide a framework within which the interaction necessary to formulate a sound budget occurs. At the same time, it ensures that the City will comply with all applicable State and Federal legal mandates.

Capital Improvement Program

The Capital Improvement Program (CIP) process begins in December when the departments formulate their capital project requests. The departments review their previously submitted and approved requests, revising and updating the project description, cost estimates and timing based on current information. Departments submit new projects, including cost estimates, scheduling and funding alternatives, for inclusion in the CIP.

Concurrently, with the preparation of the CIP requests, the Budget Manager and Finance Director collect and analyze the financial information necessary to determine the resources available in the coming years. The Budget Manager is also available to aid departments' staff in their preparation of the CIP requests.

After the compilation of the CIP requests, the Finance Director, Budget Manager, Assistant City Managers and City Manager review the capital projects. Projects are reviewed relative to community needs and proposed funding. Projects are evaluated in terms of their priority, urgency and benefit in relation to all other projects, with the current and projected fiscal resources in mind. This review, along with the knowledge of available funding, forms the basis of the programs recommended by the City Manager to the City Council. The decision on funding for capital projects is based on the merits of a particular project balanced with the availability of funding.

After deliberation and agreement by the City Council, the CIP is used in the development of the annual operating budget. The first year of the CIP provides guidelines for, and ultimately reflects the Capital Budget with the following four years becoming the Capital Improvement Program.

The Capital Budget is incorporated into the City Manager's recommended annual budget that is subsequently reviewed and adopted by the City Council. By agreeing to the Capital Budget, the City Council does not actually commit to expenditures or appropriations, even in the first year. The City Council, during its annual budget review and approval process in May and June, will approve those recommended capital projects it deems appropriate.

Budget Development

Annual Operating Budget

The City of Rocky Mount's formal operating budget process begins in February of each year. The budget preparation process provides an opportunity to examine operations, propose changes in current services, recommend revisions in organization and methods, and outline requirements for capital outlay items. This process commences with the completion of the Capital Improvement Program.

In February, the Budget Manager disseminates the Budget Development Manual. This manual contains all of the information necessary for the development of the operating budget. Included within the manual are financial guidelines, work plan instructions, example formats and the budget calendar and meetings schedule.

The Budget and Evaluation Manager works closely with City departments to assist with the formulation of their budget requests for the coming year. In addition to their financial requests, departments are asked to formulate work plans composed of accomplishments, initiatives and performance indicators.

Upon the completion of their requests, departments submit the budget package to their respective Assistant City Manager and the Budget Manager. Over the following weeks, the Budget Manager, Finance Director, Assistant City Manager and City Manager review budgets and estimated revenues and make necessary adjustments to achieve a balanced budget.

The City Council receives the recommended budget in May and reviews the recommendations. During these meetings, significant changes in the budget, additions or deletions will be highlighted for the City Council. Finally, the City Council will hold a public hearing to solicit citizen input on the budget, its priorities and funding components, and adopt the final budget.

Budget Revisions

Periodically throughout the year, the budget may require changes. The City Manager may authorize any budget amendments from within any one fund. These budget transfers are reviewed by the Budget and Evaluation Manager and designated Assistant City Manager.

Amendments calling for transfers between two or more funds, the recognition of additional revenue or the appropriation of fund balance require the approval of the City Council. Changes such as these take place infrequently throughout the year.

Budget Development

CIP AND BUDGET SCHEDULE FY 2007-08

| | |
|-----------------------|--|
| November 15 | Distribution of CIP worksheets to departments |
| December 15 | Department CIP requests due to Budget & Evaluation Manager |
| January 2-5 | CIP reviews for departments with Assistant City Managers and Budget & Evaluation Manager |
| January 18-24 | CIP reviews for departments with City Manager, Assistant City Managers, Finance Director, and Budget & Evaluation Manager |
| January 26 | Review Current Year Revenues/Expenditures |
| January 29-February 7 | CIP requests and revenue estimates matched, reviewed, and consolidated into CIP budget. City Manager reviewing of CIP. |
| February 9 | CIP completed. |
| February 9 | Distribution of budget letter, calendar, and information packet to departments. Information on utility and radio charges to departments for FY 2007-08 will also be distributed. |
| February 15 | MUNIS Budget System worksheets opened and available |
| March 15 | All Departmental Budget Requests due to Budget & Evaluation Manager |
| March 19-27 | Budget reviews for departments with Assistant City Managers and Budget & Evaluation Manager |
| March 27- April 3 | Budget reviews for departments with City Manager, Assistant City Managers, Finance Director, and Budget & Evaluation Manager |
| April 4 - 27 | Budget requests and estimated revenues reviewed and adjusted to enable balanced budget; City Manager's Budget finalized; document prepared |
| May 11 | City Manager Proposed Budget submitted to City Council |
| May 21, 23, 29 | City Council Budget Session |
| May 29 | City Council Meeting, public hearing on Budget |
| June 11 | City Council Meeting, Budget adopted |
| June 22 | FY 2007-2008 Adopted Budget distributed to departments |
| July 1 | Implementation of FY 2007-2008 Adopted Budget |
| August 24 | Final FY 2007-2008 Adopted Budget presentation published |

Financial Policies and Strategies

The City of Rocky Mount's financial policies and strategies are the framework for the budgetary and fiscal management of the city's resources. Below, are the financial practices, which are related to the development and adoption of the City of Rocky Mount's Operating Budget. These policies and strategies represent long-standing principles, traditions and practices and most importantly are guided by the North Carolina Local Government Budget and Fiscal Control Act.

Operating Budget:

The development of the budget is guided by the following budget policies:

- ◆ In compliance with State Statutes, the City Council adopts an annual balanced budget ordinance for all governmental and enterprise funds except funds authorized by project ordinances. An ordinance is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations.
- ◆ The budget ordinance shall cover a fiscal year beginning on July 1 and ending on June 30.
- ◆ No later than June 1, the City Manager shall submit to the City Council a proposed operating budget for the fiscal year commencing the following July 1 through June 30. The submitted operating budget shall include proposed expenditures and revenues as well as a budget message to explain the organization goals as supported by the budget and major changes in fiscal policy.
- ◆ The City shall place a copy of the budget in the City Clerk's office making it available for public inspection and provide public notice of the time and place of the public hearing. Before adopting the budget, the City Council shall conduct a public hearing to allow comment on the proposed budget.
- ◆ By June 30 of each year, the City Council shall adopt the budget through a budget ordinance making appropriations and levying taxes. The ordinance shall make appropriations by department and show revenues by major source.

Capital Improvement Program:

- ◆ The City shall annually review and develop a Capital Improvement Program to present the long-range development of the City's public improvements.
- ◆ After reviewing and analyzing the requests submitted by the Department Heads, the City Manager shall present to the City Council a plan, which proposes the development, acquisition, replacement or renovation of these public improvements.
- ◆ A Capital Improvement is defined as a physical asset constructed or purchased that has a minimum useful life of three (3) years and a minimum cost of \$50,000.
- ◆ Upon agreement of the City Council, the first year of the CIP is incorporated into the Operating Budget as the Capital Budget.
- ◆ The City Council will adopt the Capital Budget during its review and approval of the operating budget in May or June.

Financial Policies and Strategies

Debt Service Requirements:

- ◆ The City must adhere to the provisions of General Statutes Chapter 159 North Carolina Local Government Budget and Fiscal Control Act and the Local Government Commission, which govern the issuance, and payment of long-term debt for cities.
- ◆ The North Carolina General Statutes 159-55(c) limits the City's net debt to 8% of the appraised value of property subject to taxation within the City.
- ◆ Currently, the City has no debt applicable to the debt limitation.
- ◆ Typically, the City has opted to use General Obligation Debt to fund the acquisition and construction of major capital facilities for the Enterprise Funds.
- ◆ The repayment of these general obligation bonds are budgeted in the Debt Service Fund along with the city contribution to the Nash-Rocky Mount Board of Education.

Special Project Ordinances:

- ◆ Certain special funds are budgeted under project ordinances, which span more than one fiscal year. These project ordinances are controlled by the development of the project, and project appropriations continue until the project is complete. These funds are not subject to the annual budget requirements.
- ◆ The City Council adopts these project ordinances throughout the fiscal year as necessary.

Reserves

- ◆ The North Carolina Local Government Commission prescribes that at a minimum a municipality should maintain available fund balance of at least 8 percent of annual General Fund expenditures. Each municipality should also accumulate an additional reserve for emergencies or unforeseen needs. In determining what is an adequate level of fund balance, a municipality should compare its own level of fund balance to that of municipalities of similar population size and to statewide averages.
- ◆ To that end, the City of Rocky Mount has established target fund balance levels for the General Fund, General Capital Fund, Powell Bill Fund and each of the Utility Funds. These levels provide the optimum amount for fund balance needed for each operation.

Revenues:

- ◆ The City shall maintain diverse and stable revenues to minimize the effects of economic fluctuations.
- ◆ Revenues are conservatively forecasted based on a review of historic collections, anticipated changes in type of legal requirements and percentage change over time.
- ◆ The City shall review fees and charges annually and make necessary modifications based on cost of service and cost recovery.

Financial Policies and Strategies

Transfers:

In order to preserve the financial integrity of the Enterprise Funds (Electric, Gas, Water, Sewer, and Stormwater) and to reduce the General Fund's dependence on Enterprise Fund transfers to a level supportable by prudent business practices, the City has developed a policy on Utility Fund transfers. This policy states that:

- ◆ The City shall receive a payment in lieu of taxes amount from the enterprise funds to the General Fund that approximates the amount of Ad Valorem taxes that would have been paid had utility services been provided by an investor-owned utility. The payment in lieu of taxes shall be reported as an expense of the Enterprise Fund and as revenue of the General Fund.
- ◆ The City may budget annually a Reserve in each Enterprise Fund for Rate Stabilization or Operating purposes in an amount equal to a percentage of annual gross utility sales.
- ◆ The City may budget annually an operating transfer from the Enterprise Funds to the General Fund to provide the General Fund with a return on investment. Normally, the operating transfer shall be subject to the following conditions:
 - ◇ Electric Fund - the amount transferred shall not exceed 3% of the gross fixed assets.
 - ◇ Gas Fund - the amount transferred shall not exceed 75% of the Income before Transfers.
 - ◇ Water Fund - the amount transferred shall not exceed 50% of the Income before Transfers.
- ◆ In the event of an emergency, or unforeseen special need, the amount to be paid from the Enterprise Fund under this resolution may be increased or reduced upon approval by a simple majority of the City Council.

Investments:

The City has established an Investment Policy to provide safe and responsible guidelines for the investment of idle funds in the best interest of the public while fully maximizing the rate of return.

- ◆ Safety of capital is regarded as the highest priority in the handling of investments for the City. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they are from securities defaults or erosion of market value.
- ◆ The City's investment portfolio must be structured in such a manner that will provide sufficient liquidity to pay all obligations as they become due. No investment shall have maturities greater than 36 months.
- ◆ The City seeks to optimize return on investments within the constraints of safety and liquidity. The investment portfolio shall be designed with the annual objective exceeding the average return on the N.C. Capital Management Trust Fund.
- ◆ Investments of the city must conform with investments authorized pursuant to N.C. General Statutes § 159.30.

Fund Structure

The budgeting/accounting policies of the City of Rocky Mount conform to generally accepted accounting principles (GAAP) applicable to governmental units.

Basis of Budgeting

All funds of the City are budgeted and accounted for during the year on the modified accrual basis in accordance with State statutes. Under the modified accrual basis, revenues are recognized in the accounting period in which they become measurable and available to pay the liabilities of the current period. Generally, expenditures are recorded in the accounting period in which a fund liability is incurred, if measurable. Principal and interest on general long term debt and vacation and sick pay are recognized as expenditures when paid. Budgeting is done on a modified accrual basis – only revenues and expenditures anticipated during the year are included.

Fund Accounting

The accounts of the City are organized and operated on the basis of funds or account groups. A fund or account group is an independent fiscal and accounting entity with a self-balancing set of accounts, recording its assets, liabilities, fund equity/retained earnings, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with the requirements of law.

General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another funds. The fund's primary revenue sources are ad valorem taxes and intergovernmental revenues. The fund's primary expenditures are for general government, public safety, public works and parks and recreation.

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific sources that are legally restricted to expenditures for specific purposes. The City has seven Special Revenue Funds: Entitlement Grant Fund, Emergency Management Fund, Public Transportation Grants Fund, Crime/Safety Fund, Powell Bill Grant Fund, Economic Development Fund, and Emergency Telephone System Fund. Those subject to annual appropriation include:

- a. **Powell Bill Grant Fund** accounts for monies received from the state derived from a per gallon motor fuel tax. The local government allocation is based on local street mileage and population. Expenditures from this fund are restricted to specific highway and street construction and maintenance.

Fund Structure

- b. **Emergency Telephone System Fund** accounts for monies received from the local telephone company from a monthly charge to telephone subscribers. Expenditures from this fund are restricted to specific purchase and maintenance of emergency telephone equipment.

Capital Projects Fund - The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds. **General Capital Projects Fund** is used to account for construction of various City projects to improve City parks and facilities and is the only Capital Projects fund subject to annual appropriation.

Enterprise Funds - The Enterprise Funds are used to account for those operations (a) that are financed and operated in manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. These funds subject to annual appropriation are:

- a. **Electric Fund** is used to account for electric utility operations.
- b. **Gas Fund** is used to account for gas utility operations
- c. **Water Fund** is used to account for water utility operations
- d. **Sewer Fund** is used to account for sewer utility operations
- e. **Stormwater Fund** is used to account for stormwater utility operations

Agency Fund - The Agency fund is used to account for assets held by the City as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds include: Canteen and Miscellaneous Fund, and Enhanced 911 Fund. The Canteen and Miscellaneous fund is used to account for funds generated from vending machines and other special projects and is subject to annual appropriation.

Internal Service Fund - The Internal Service fund is used to account for intergovernmental services or any shared type service. The City has one internal service fund established to manage the City's self insurance revenue and expenditures. The Internal Service fund has an annual financial plan. It is not part of the annual appropriated budget.

Budget Document

A budget is a formal document that enables the City to plan for the future, measure the performance of city services, and help the public to understand where the revenues come from and how those revenues are spent on city services. Thus, the budget serves many purposes and addresses different needs depending on the "audience"; whether the audience is City staff, Federal and State regulatory authorities, other local governments, or taxpayers and City residents.

The purpose of this budget document is to present to the public and City Council a comprehensive picture of proposed operations for the budget year. This document is organized into several sections that are explained below:

- A. The first section provides an overview and review of the budget. Included within this section is the Budget Message from the City Manager and budget summaries
- B. The second is the Budget Guide which includes department information on the budget process, tax requirements and restrictions, revenue assumption and financial policies.
- C. The next several sections explain those portions of the total city operating budget for city departments and the services, programs and activities.
- D. The final sections provide statistical information about the City.

Workplan Development

At the start of the budget process each department is asked to prepare a *work plan*. The *work plan* consists of a *mission statement* for the department and a *statement of purpose, accomplishments, new year initiatives, and workload indicators* for each division.

The departmental *mission statement* is intended to represent the fundamental reason for the organization's existence. The *statement of purpose* describes the unique contribution of the division to the city government and/or citizens receiving services. The *statement of purpose* provides a framework within which a division operates and expresses the end to which resources are directed.

Departments were also asked to review their divisional *accomplishments* and *new year initiatives*. *Accomplishments* are brief statements that highlight activities of the current year. These activities may include changes in operations, new programs, or increased emphasis that has resulted in some type of improved performance of a division. *New initiatives* are specific activities or plans that will cause improvements in productivity, efficiency, or service delivery and which each division plans to obtain in the forthcoming year. These *new initiatives* focus on significant adjustments to basic and continuing services. *Initiatives* must be concrete, specific, attainable and consistent with available resources. Each of these was prepared at the division level. The intent of the accomplishments and new initiatives is to address the activities of the unit in a narrative form.

Finally, each department included a list of performance indicators. During the last year, each department has worked to develop a set of performance measures for each service performed. While these measures are still in their infancy, each department included measures for which data existed. It is the City's intent to expand the use of performance measures.

Budget Overview

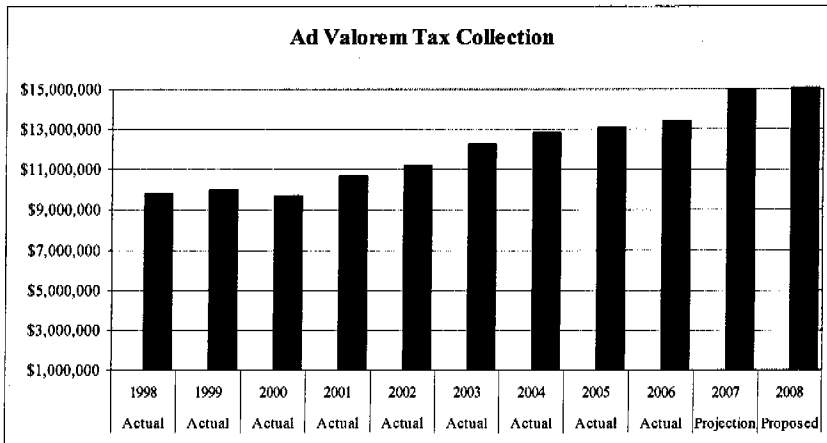
Review of Selected Revenues

Revenues are estimated using a variety of methods and factors. The estimates were prepared using actual prior year amounts, projected collections for FY 2006-07, and trend analysis. Other factors were evaluated to determine their effect on the revenue amounts. These include anticipated changes in type or legal requirements of particular revenue, review of general economic conditions and analysis of the trends and conditions affecting particular revenue. Below, is a review of basic revenue groups and specific revenue types within each group.

Ad Valorem Tax

These revenues are all those collected based on the City of Rocky Mount's levy. These include Inventory Tax, Property or Ad Valorem Tax, Vehicle Tax and Tax Penalties.

Ad Valorem Tax is based on the property valuation as determined by the Nash and Edgecombe County Tax Assessors with the City's levy of \$.55 per \$100 of valuation. Historically, the City has collected an average of 96.9% of the levied tax.



In Lieu of Tax is a payment from an Enterprise Fund that approximates the amount of ad valorem tax that would have been paid had utility service been provided by an investor-owned utility. The In Lieu Tax payment amount is calculated based on the gross fixed assets of the Enterprise Funds as reported in the City's most recent audited financial statement and the current tax rate. This In Lieu of Tax payment is required under the City's Utility Transfer Policy.

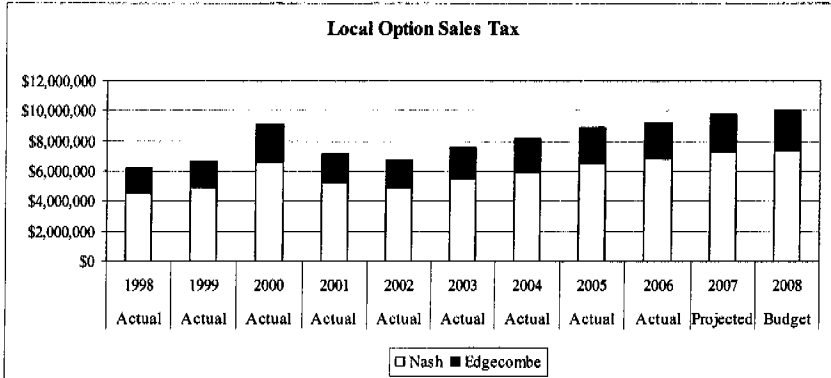
Income from Other Governments

These revenues are those received from other governmental units. Among these revenues are local option sales tax, franchise tax, beer and wine tax, Powell Bill proceeds and State and Federal Grants.

Budget Overview

Review of Selected Revenues

Local Option Sales Tax is collected by authority of the General Statutes by both Nash and Edgecombe Counties. Previously, the two half cent sales tax portions were dedicated to water and sewer system improvements. This dedication requirement has expired and all Local Option Sales Tax is now budgeted in the General Fund or the General Capital Fund. On an annualized basis, Local Option Sales Tax is estimated to increase 3.5% in FY 2007-08.



The State of North Carolina levies a **franchise tax** on electric, and natural gas service provided within the city limits of each City. This Franchise Tax is remitted back to the city from the state in quarterly payments. Due to its link to utility sales, this revenue is very sensitive to the weather. The City is projecting Franchise Tax to increase 6.5% for FY 2007-08. Along with this revenue is a new tax on telecommunication service. There is no expected growth in the telecommunications tax.

Powell Bill revenues are received from the State of North Carolina's gasoline tax. The funds are used for street and sidewalk construction and maintenance purposes as well as drainage improvements. The State of North Carolina has previously used funds from the Highway Trust Fund to balance the State budget, reducing funds available to local governments, but no similar action is expected this year. The City is projecting to receive an estimated \$1,802,000 in Powell Bill funds.

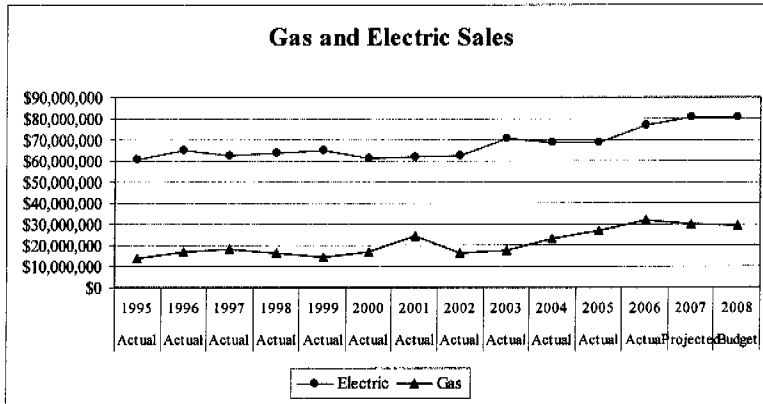
Charges for Services

These revenues include electric, gas, water, sewer and stormwater service revenues as well as building permit recreation fees and solid waste disposal monthly service charges.

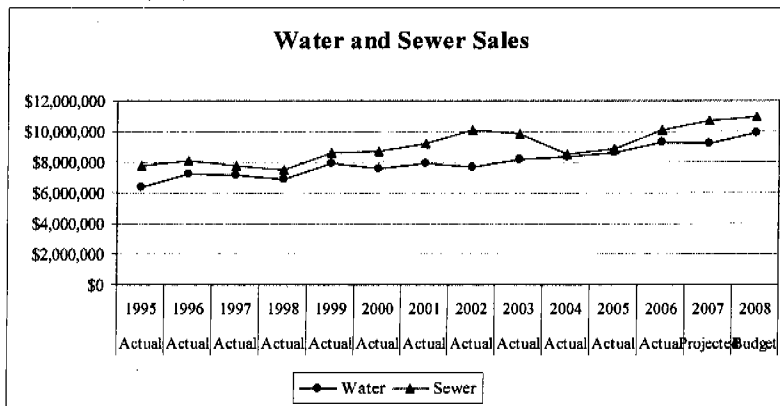
Budget Overview

Review of Selected Revenues

Electric and Gas sales revenues are particularly difficult to forecast, as they are highly sensitive to the weather. These two utilities have seen system growth as evidenced by a five-year average growth of 1.4% in electric meters and 4% in gas meters. However, the City lost some large utility customers in the past few years. Considering demand and the cost of purchased energy, the budget includes utility sales of \$80,450,000 in the Electric Fund and \$29,275,000 in the Gas Fund.



Water and Sewer sales are also difficult to predict due to several plant closings that were large customers. This year, the budget includes no sewer rate increase and a 2.5% water rate increase and no sewer rate increase that, when included in the estimates, yield projected water sales of \$9,890,000 and sewer sales of \$11,000,000.



Budget Overview

Review of Selected Revenues

Transfers from Other Funds

These are amounts that are transferred from one City fund to another. Below is an explanation of significant transfers.

An **Operating Transfer** is made by each enterprise fund (Electric, Gas, Water and Sewer) to the General Fund to represent a return on the investment of the utility. Typically, these transfers are made within the following guidelines:

- Electric Fund -- the amount transferred shall not exceed 3% of the gross fixed assets.
- Gas Fund -- the amount transferred shall not exceed 75% of the Income before Transfers
- Water Fund -- the amount transferred shall not exceed 50% of the Income before transfers.

Finally, the enterprise funds make **transfers** to the **Debt Service Fund** to cover the City's long term debt payments as well as the payments to the Nash-Rocky Mount Board of Education as a result of consolidation.

Other Revenues

Other Revenues include interest income, lease purchase proceeds, assessments, privilege licenses and revenues not classified above. Each of these revenues is evaluated individually and forecasted using a review of actual amounts, trend analysis and information on growth and changes in billing or collection method.

Fund Balance Appropriated

The appropriation of fund balance is necessary to balance projected revenues and expenditures. The level of appropriation is determined by the difference between recommended expenditures and estimated revenues for the upcoming fiscal year. The amount of appropriated fund balance changes from year to year.

Revenues

| | FY 2005-06 Actual | FY 2006-07 Budget | FY 2006-07 Projected | FY 2007-08 Proposed |
|---|----------------------|----------------------|-------------------------|------------------------|
| General Fund | | | | |
| Ad Valorem Taxes | \$ 13,405,738 | \$ 14,980,000 | \$ 15,000,000 | \$ 15,250,000 |
| Taxes Levied-Prior Year | 282,774 | 330,000 | 360,000 | 350,000 |
| Vehicle Taxes | 1,629,853 | 2,085,000 | 2,000,000 | 2,100,000 |
| Tax Penalty | 152,700 | 160,000 | 170,000 | 175,000 |
| Animal Tax | 25,453 | 26,000 | 26,000 | 26,000 |
| Tax Revenues Total | \$ 15,496,519 | \$ 17,581,000 | \$ 17,556,000 | \$ 17,901,000 |
| | | | | |
| Taxes-Payment In Lieu | \$ 1,024,180 | \$ 1,145,500 | \$ 1,145,500 | \$ 1,177,700 |
| Taxes-Franchise CATV | 486,725 | 479,300 | 479,300 | 479,300 |
| Taxes-Housing Authority | 39,914 | 35,000 | 35,000 | 35,000 |
| Rental Vehicle Tax | 46,056 | 46,000 | 46,000 | 46,000 |
| Federal Grant-Highway Administration | 127,823 | 117,900 | 117,900 | 187,140 |
| Federal Grant-Arts Council | - | 5,000 | 5,000 | 5,000 |
| NCDOT Revenue | 50,000 | - | - | - |
| State Grant-Mosquito | 13,956 | 8,100 | 8,100 | 8,100 |
| State Grant-Cultural Arts | - | 4,500 | 8,500 | 4,000 |
| NCDivision of Crime Control | 29,897 | - | - | - |
| Local Option Sales Tax-Nash | 6,429,067 | 6,628,600 | 6,640,000 | 6,860,000 |
| Local Option Sales Tax-Edgecombe | 2,216,871 | 2,358,400 | 2,360,000 | 2,441,000 |
| Wine and Beer Tax | 248,713 | 260,000 | 260,000 | 270,000 |
| ABC-Nash | 34,417 | 35,000 | 35,000 | 35,000 |
| ABC-Edgecombe | 7,741 | 5,000 | 5,000 | 5,000 |
| Franchise Tax | 1,799,966 | 1,840,000 | 1,775,000 | 1,900,000 |
| Telecommunications Sales Tax | 649,543 | 600,000 | 900,000 | 750,000 |
| State Court Facility-Nash | 87,678 | 95,000 | 95,000 | 95,000 |
| State Court Facility-Edgecombe | 52,531 | 60,000 | 60,000 | 60,000 |
| State Court Officer - Nash | 13,115 | 25,000 | 25,000 | 25,000 |
| State Court Officer - Edge | 6,001 | 7,000 | 7,000 | 7,000 |
| Jail Fee-Nash & Edgecombe | 5 | - | - | - |
| KAB Local Share Revenue | 70 | 36,300 | 36,300 | 38,000 |
| Housing Authority Police Reimbursement | 25,659 | 28,000 | 28,000 | 28,000 |
| NRM Schools Resource Officer | 182,032 | 183,000 | 183,000 | 183,000 |
| Nash County Contributions | - | - | - | 2,660 |
| Traffic Maintenance Charge | 244,742 | 200,000 | 200,000 | 200,000 |
| Sales And Use Tax-Refund | 96,899 | 35,000 | 35,000 | 35,000 |
| Intergovernmental Revenues Total | \$ 13,913,602 | \$ 14,237,600 | \$ 14,489,600 | \$ 14,876,900 |
| | | | | |
| Privilege Fee | \$ 97,067 | \$ 98,000 | \$ 98,000 | \$ 100,000 |
| License Fee-Motor Vehicles | 201,902 | 198,000 | 200,000 | 200,000 |
| Fire Permit Fees | 99,370 | 97,000 | 85,000 | 89,000 |
| Licenses and Permits | 683,189 | 675,000 | 620,000 | 650,000 |
| Licenses & Permits Total | \$ 1,081,528 | \$ 1,068,000 | \$ 1,003,000 | \$ 1,039,000 |
| | | | | |
| Citation Fee-Housing | \$ 173,821 | \$ 120,000 | \$ 120,000 | \$ 120,000 |
| Citation-Safelight | 288,874 | 194,400 | 170,000 | 194,400 |
| Citation Fee-Parking | 8,683 | 6,500 | 6,500 | 6,500 |
| Police Fees | 9,245 | - | - | - |
| Other-Animal Shelter | 16,509 | 15,000 | 15,000 | 15,000 |
| Fire Protection | 5,490 | 5,400 | 5,400 | 5,400 |

Revenues

| | FY 2005-06 Actual | FY 2006-07 Budget | FY 2006-07 Projected | FY 2007-08 Proposed |
|-----------------------------------|----------------------|----------------------|-------------------------|------------------------|
| Hydrant Repairs | \$ 7,025 | \$ 7,000 | \$ 7,000 | \$ 7,000 |
| Hazard Spill Clean-Up | (76) | - | - | - |
| Recreation Revenue | 439,780 | 817,350 | 595,650 | 608,500 |
| Dumpster Service | 668,607 | 800,000 | 746,000 | 800,000 |
| Roll Out Cart Service | 1,873,777 | 2,100,000 | 2,025,000 | 2,100,000 |
| Transfer Station Fee | 2,323,148 | 2,388,000 | 2,200,000 | 2,400,000 |
| Recycling Fees | 309,372 | 372,000 | 360,000 | 372,000 |
| Sales-Recyclable Items | 447 | - | - | - |
| Weed Control Service | 65,391 | 95,000 | 53,000 | 53,000 |
| Extra Pickup Service | 832 | - | - | - |
| Fee-Finger Print | 6,255 | 5,000 | 5,000 | 5,000 |
| Cemetery-Burial | 142,100 | 133,000 | 133,000 | 140,000 |
| Cemetery-Lots | 31,713 | 40,000 | 40,000 | 40,000 |
| Reconnection Fees | 280,401 | 280,000 | 280,000 | 300,000 |
| Parking | 9,960 | 9,820 | 9,820 | 10,100 |
| Train Station Expense Recovery | 65,847 | 60,000 | 60,000 | 60,000 |
| Sales-Material | 35,264 | 41,000 | 41,000 | 41,000 |
| Sale of Fixed Assets | 73,522 | 75,000 | 75,000 | 75,000 |
| Sales & Services Total | \$ 6,835,986 | \$ 7,564,470 | \$ 6,947,370 | \$ 7,352,900 |
| Interest | \$ 696,057 | \$ 600,000 | \$ 800,000 | \$ 750,000 |
| Interest & Penalties | 19,348 | 20,000 | 20,000 | 24,000 |
| Investments Total | \$ 715,404 | \$ 620,000 | \$ 820,000 | \$ 774,000 |
| Assessment-Demolition | \$ 25,751 | \$ 40,000 | \$ 40,000 | \$ 40,000 |
| Contributions-CATV | - | 25,000 | 35,000 | 20,000 |
| Contributions-Friends | (113) | 250 | 250 | - |
| Contributions | 12,500 | 33,200 | 30,700 | - |
| Sponsorships | 1,800 | 11,500 | 16,500 | 10,000 |
| Insurance Settlements | 11,000 | 11,700 | 11,700 | 11,700 |
| Indirect Cost Recovery | 2,182 | - | - | - |
| Rents-Building | 39,650 | 33,600 | 43,600 | 45,100 |
| Rents-BTW | 3,343 | 3,300 | 3,300 | 3,300 |
| Rents-Mohasco | 117,849 | 118,000 | 118,000 | 118,000 |
| Rents-REA | (1,475) | 3,600 | 3,600 | 3,600 |
| Rents-Region L | 33,758 | 33,600 | 33,600 | 9,000 |
| Rents-Judicial Center | 33,600 | 33,600 | 33,600 | 33,600 |
| Rents-Transit | 21,504 | 21,500 | 21,500 | 21,500 |
| Rents-Lots | 72 | - | - | - |
| Rents-Train Station | 61,036 | 55,800 | 55,800 | 44,000 |
| Rents-Equipment | 10,804 | 5,700 | 5,700 | 6,100 |
| Rents-Sports Complex | - | 5,000 | 5,000 | 5,000 |
| Rents-Other Facilities | 1,095 | 500 | 500 | 500 |
| Telephone Commissions | 323 | - | - | - |
| Other-Excess Utility Tax | 378,476 | 400,000 | 400,000 | 400,000 |
| Return Check Fees | 1,900 | 2,000 | 2,000 | 2,000 |
| Miscellaneous Revenues | 406,739 | 112,105 | 108,705 | 101,500 |
| CHAF Program Income | 6,469 | - | - | - |
| Entitlement Program | 243,837 | 334,800 | 334,800 | 355,220 |
| Miscellaneous Total | \$ 1,412,099 | \$ 1,284,755 | \$ 1,303,855 | \$ 1,230,120 |

Revenues

| | FY 2005-06 Actual | FY 2006-07 Budget | FY 2006-07 Projected | FY 2007-08 Proposed |
|--|----------------------|----------------------|-------------------------|------------------------|
| Lease Proceeds | \$ 725,000 | \$ 1,087,000 | \$ 682,000 | \$ 2,003,000 |
| Leases Total | \$ 725,000 | \$ 1,087,000 | \$ 682,000 | \$ 2,003,000 |
| Interfund Transfers | \$ 2,449,000 | \$ 3,000,000 | \$ 2,950,000 | \$ 2,988,350 |
| Transfers Total | \$ 2,449,000 | \$ 3,000,000 | \$ 2,950,000 | \$ 2,988,350 |
| Fund Balance Appropriated | \$ - | \$ 2,263,270 | \$ 2,263,270 | \$ 1,600,000 |
| Fund Balance Appropriated Total | \$ - | \$ 2,263,270 | \$ 2,263,270 | \$ 1,600,000 |
| General Fund Total | \$ 42,629,138 | \$ 48,706,095 | \$ 48,015,095 | \$ 49,765,270 |

Powell Bill Fund

| | | | | |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|
| NCDOT Revenue | \$ 25,000 | \$ 768,000 | \$ 168,000 | \$ 204,000 |
| Powell Bill Grant | 1,771,157 | 1,792,380 | 1,725,365 | 1,802,000 |
| Interest | 128,980 | 100,000 | 101,100 | 100,000 |
| Assessment-Streets | 16,134 | 50,000 | 25,000 | 25,000 |
| Shared Cost Refunds | 101,802 | - | - | - |
| Fund Balance Appropriated | - | 1,351,940 | 1,351,940 | - |
| Powell Bill Fund Total | \$ 2,043,073 | \$ 4,062,320 | \$ 3,371,405 | \$ 2,131,000 |

E-911 Fund

| | | | | |
|-------------------------|-------------------|-------------------|-------------------|-------------------|
| Interest | \$ 35,523 | \$ 30,000 | \$ 45,000 | \$ 35,000 |
| E-911 Revenue | 375,826 | 350,000 | 335,000 | 355,000 |
| E-911 Fund Total | \$ 411,350 | \$ 380,000 | \$ 380,000 | \$ 390,000 |

Debt Service Fund

| | | | | |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|
| Contributions-Electric | \$ 656,470 | \$ 894,850 | \$ 894,850 | \$ 321,889 |
| Contributions-Gas | 175,058 | 238,626 | 238,626 | 85,837 |
| Contributions-Water | 1,072,655 | 1,036,487 | 1,036,487 | 958,199 |
| Contributions-Sewer | 1,358,545 | 1,289,805 | 1,289,805 | 1,265,360 |
| Debt Service Fund Total | \$ 3,262,728 | \$ 3,459,768 | \$ 3,459,768 | \$ 2,631,285 |

General Capital Fund

| | | | | |
|-----------------------------------|-------------------|---------------------|---------------------|---------------------|
| Library Lease Reimbursement | \$ - | \$ 338,700 | \$ 338,700 | \$ 376,000 |
| Special District Tax | 66,384 | 68,000 | 68,000 | 68,000 |
| Vehicle Tax-Special District | 1,612 | - | - | - |
| Local Option Sales Tax | 560,000 | 520,000 | 870,000 | 726,600 |
| Federal Grant-SAFETEA | - | 272,000 | 272,000 | 50,000 |
| Intergovernmental Revenues | - | - | 6,319 | - |
| Interest | 8,881 | 10,000 | 10,000 | 2,000 |
| Transfer Station Fee | 323,000 | 262,400 | 262,400 | 262,400 |
| Contributions | 1,750 | - | - | - |
| Transfers | 15,000 | 168,000 | 168,000 | - |
| Lease Proceeds | - | 350,000 | 350,000 | 440,000 |
| Fund Balance Appropriated | - | 334,350 | 334,350 | - |
| General Capital Fund Total | \$ 976,628 | \$ 2,323,450 | \$ 2,679,769 | \$ 1,925,000 |

Revenues

| | FY 2005-06 Actual | FY 2006-07 Budget | FY 2006-07 Projected | FY 2007-08 Proposed |
|----------------------------|----------------------|----------------------|-------------------------|------------------------|
| Electric Fund | | | | |
| Utility Sales | \$ 76,804,493 | \$ 83,500,000 | \$ 80,535,000 | \$ 80,450,000 |
| Expense Recovery | 465,050 | 380,000 | 380,000 | 400,000 |
| Meter Tampering | 2,967 | 10,000 | 10,000 | 10,000 |
| Bad Debt Collected | 180,612 | 155,000 | 155,000 | 155,000 |
| Telephone Charges | 454,483 | 471,000 | 471,000 | 520,000 |
| Radio Maintenance Fees | 287,797 | 290,000 | 290,000 | 307,700 |
| Intergovernmental Revenues | 250,000 | - | - | - |
| Interest | 74,777 | 60,000 | 60,000 | 60,000 |
| Interest/Penalties | 245,155 | 250,000 | 250,000 | 272,665 |
| Sale of Material | 3,986 | - | 246,200 | - |
| Insurance Settlements | - | 238,990 | 238,986 | - |
| Return Check Fees | 40,125 | 35,000 | 35,000 | 35,000 |
| Lease Proceeds | 1,491,000 | 100,000 | 100,000 | 1,111,000 |
| Fund Balance Appropriated | - | 2,363,678 | 2,261,370 | - |
| Miscellaneous | (331) | 26,160 | 26,160 | - |
| Electric Fund Total | \$ 80,300,112 | \$ 87,879,828 | \$ 85,058,716 | \$ 83,321,365 |
| Gas Fund | | | | |
| Utility Sales | \$ 31,679,844 | \$ 27,400,000 | \$ 29,990,000 | \$ 29,275,000 |
| Expense Recovery | 4,745 | 10,000 | 14,000 | 10,000 |
| Interest | 141,273 | 130,000 | 140,000 | 150,000 |
| Interest/Penalties | 93,223 | 85,000 | 85,000 | 85,000 |
| Return Check Fees | 200 | - | - | - |
| Lease Proceeds | - | 185,000 | 185,000 | 205,000 |
| Fund Balance Appropriated | - | 237,000 | 237,000 | 199,968 |
| Miscellaneous | - | 14,874 | 14,874 | - |
| Gas Fund Total | \$ 31,919,285 | \$ 28,061,874 | \$ 30,665,874 | \$ 29,924,968 |
| Water Fund | | | | |
| Frontage Fee | \$ 58,352 | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| Privilege Fee | 20,742 | 20,000 | 27,000 | 20,000 |
| Utility Sales | 9,311,154 | 9,470,000 | 9,201,000 | 9,890,000 |
| Service Taps | 18,654 | 17,000 | 10,000 | 17,000 |
| Intergovernmental Revenues | - | 50,000 | 50,000 | - |
| Interest | 128,166 | 50,000 | 119,900 | 72,000 |
| Interest/Penalties | 40,156 | 35,000 | 41,000 | 35,000 |
| Assessment | 21,853 | 10,000 | 10,000 | 10,000 |
| Rents-Other Facilities | 28,622 | 28,000 | 28,000 | 28,000 |
| Return Check Fees | 2,600 | - | - | - |
| Fund Balance Appropriated | - | 2,159,620 | 2,139,620 | 259,459 |
| Miscellaneous | 52,315 | 55,218 | 63,450 | 54,872 |
| Water Fund Total | \$ 9,682,615 | \$ 11,944,838 | \$ 11,739,970 | \$ 10,436,331 |

Revenues

| | FY 2005-06 Actual | FY 2006-07 Budget | FY 2006-07 Projected | FY 2007-08 Proposed |
|-----------------------------------|-----------------------|-----------------------|-------------------------|------------------------|
| Sewer Fund | | | | |
| Frontage Fee | \$ 43,405 | \$ 20,000 | \$ 5,000 | \$ 20,000 |
| Privilege Fee | 9,877 | - | - | - |
| Pretreatment Fees | (64,451) | - | 4,000 | - |
| Utility Sales | 10,128,364 | 10,812,000 | 10,731,000 | 11,000,000 |
| Service Taps | 7,108 | 4,000 | 4,100 | 4,000 |
| Interest | 39,736 | 30,000 | 30,000 | 30,000 |
| Interest/Penalties | 44,733 | 40,000 | 40,000 | 40,000 |
| Contributions | - | - | - | 250,000 |
| Assessment | 79,526 | 50,000 | 2,000 | 50,000 |
| Return Check Fees | 25 | - | - | - |
| Loan Proceeds | 631,211 | 210,900 | 2,771,806 | - |
| Lease Proceeds | - | - | - | 1,285,000 |
| Fund Balance Appropriated | - | 4,415,325 | 2,137,581 | - |
| Miscellaneous | 107,695 | 142,048 | 144,048 | 112,236 |
| Sewer Fund Total | \$ 11,027,229 | \$ 15,724,273 | \$ 15,869,535 | \$ 12,791,236 |
| Stormwater Fund | | | | |
| Utility Sales | \$ 2,673,764 | \$ 2,600,000 | \$ 2,680,000 | \$ 2,712,000 |
| Interest | 64,957 | 65,000 | 80,000 | 61,000 |
| Interest/Penalties | 12,150 | 11,000 | 14,000 | 11,000 |
| Transfers | 700,000 | 510,000 | 510,000 | 300,000 |
| Lease Proceeds | 210,000 | 290,000 | 290,000 | 357,000 |
| Fund Balance Appropriated | - | 869,650 | 869,650 | - |
| Stormwater Fund Total | \$ 3,660,870 | \$ 4,345,650 | \$ 4,443,650 | \$ 3,441,000 |
| Canteen Fund | | | | |
| Canteen Accounts | \$ 586,925 | \$ 670,066 | \$ 721,840 | \$ 677,100 |
| Canteen Fund Total | \$ 586,925 | \$ 670,066 | \$ 721,840 | \$ 677,100 |
| Risk Management Fund | | | | |
| Insurance Premiums | \$ 4,288,691 | \$ 5,484,800 | \$ 5,460,000 | \$ 5,484,800 |
| Stop Loss | 343,938 | - | - | - |
| Miscellaneous | 122,249 | - | - | - |
| Risk Management Fund Total | \$ 4,754,878 | \$ 5,484,800 | \$ 5,460,000 | \$ 5,484,800 |
| Proposed Budget Total | \$ 191,254,832 | \$ 213,042,962 | \$ 211,865,623 | \$ 202,919,355 |

Expenditures

| | FY 2005-06 Actual | FY 2006-07 Budget | FY 2006-07 Projected | FY 2007-08 Proposed |
|----------------------------|----------------------|----------------------|-------------------------|------------------------|
| General Fund | | | | |
| Mayor and Council | \$ 330,431 | \$ 954,828 | \$ 791,578 | \$ 946,034 |
| Community Services | 800,870 | 919,729 | 909,729 | 769,030 |
| City Clerk | 203,817 | 227,043 | 212,257 | 219,042 |
| City Manager | | | | |
| City Manager | \$ 556,551 | \$ 544,411 | \$ 492,139 | \$ 560,437 |
| Public Affairs | 102,891 | 114,909 | 107,475 | 130,729 |
| Downtown Development | 93,642 | 130,969 | 121,041 | 115,115 |
| City Manager Total | \$ 753,084 | \$ 790,289 | \$ 720,655 | \$ 806,281 |
| Human Resources | | | | |
| Human Relations | \$ 593,119 | \$ 1,334,004 | \$ 1,336,362 | \$ 1,457,607 |
| | 253,486 | 226,743 | 207,837 | 299,036 |
| Finance | | | | |
| Administration | \$ 145,247 | \$ 217,053 | \$ 134,282 | \$ 203,231 |
| Accounting | 77,064 | 126,783 | 75,175 | 128,775 |
| Purchasing | 98,301 | 89,344 | 82,299 | 95,620 |
| Utility Business Office | (46,106) | 166,441 | (33,058) | 116,473 |
| Information Systems | (211,713) | 637,410 | 84,876 | 48,830 |
| Finance Total | \$ 62,793 | \$ 1,237,031 | \$ 343,574 | \$ 592,929 |
| Central Services | | | | |
| Print Shop | \$ 91,318 | \$ 3,000 | \$ 3,000 | \$ 25,500 |
| Property & Risk Management | 369,244 | 458,840 | 438,712 | 474,984 |
| Judicial Center | 220,571 | 223,760 | 229,904 | 236,710 |
| Central Services Total | \$ 681,133 | \$ 685,600 | \$ 671,616 | \$ 737,194 |
| Police | | | | |
| Administration | \$ 548,906 | \$ 606,051 | \$ 603,907 | \$ 681,792 |
| Administrative Services | 914,064 | 1,004,239 | 967,635 | 1,699,560 |
| Staff Services | 1,798,615 | 1,854,261 | 1,699,647 | 1,957,919 |
| Uniformed Operations | 6,381,630 | 6,808,106 | 6,416,117 | 6,373,118 |
| Investigative Services | 1,173,944 | 1,231,236 | 1,183,434 | 1,440,277 |
| Police Total | \$ 10,817,160 | \$ 11,503,893 | \$ 10,870,739 | \$ 12,152,666 |
| Fire | | | | |
| Administration | \$ 475,961 | \$ 545,093 | \$ 529,376 | \$ 558,945 |
| Operations | 7,935,391 | 7,709,906 | 7,478,806 | 7,839,373 |
| Life Safety & Emergency | 466,126 | 520,622 | 535,701 | 593,627 |
| Support Services | 344,513 | 400,710 | 368,086 | 393,694 |
| Fire Total | \$ 9,221,991 | \$ 9,176,331 | \$ 8,911,969 | \$ 9,385,639 |
| Public Works | | | | |
| Administration | \$ 176,885 | \$ 184,849 | \$ 173,137 | \$ 200,871 |
| Streets & Right of Way | 1,819,913 | 1,819,137 | 1,249,678 | 2,256,137 |
| Fleet Maintenance | 464,811 | 510,363 | 437,752 | 536,570 |
| Environmental Services | 5,773,921 | 6,753,532 | 6,174,218 | 7,545,652 |
| Community Code | 815,153 | 928,630 | 885,574 | 838,490 |
| Public Works Total | \$ 9,050,682 | \$ 10,196,511 | \$ 8,920,359 | \$ 11,377,720 |

Expenditures

| | FY 2005-06 Actual | FY 2006-07 Budget | FY 2006-07 Projected | FY 2007-08 Proposed |
|-------------------------------------|----------------------|----------------------|-------------------------|------------------------|
| Engineering | | | | |
| Administration | \$ 425,489 | \$ 533,494 | \$ 474,359 | \$ 542,307 |
| Traffic | 587,104 | 647,549 | 604,685 | 642,141 |
| Engineering Total | \$ 1,012,593 | \$ 1,181,043 | \$ 1,079,044 | \$ 1,184,448 |
| Parks & Recreation | | | | |
| Administration | \$ 330,779 | \$ 334,566 | \$ 316,428 | \$ 323,778 |
| Amusement & Special Events | 129,202 | 125,163 | 121,716 | 123,425 |
| Athletics | 467,701 | 471,780 | 464,616 | 459,706 |
| Neighborhood Programs | 512,467 | 528,682 | 509,831 | 547,163 |
| Senior Programs | 281,269 | 1,070,879 | 1,067,426 | 565,012 |
| Cemetery | 354,219 | 408,161 | 380,959 | 403,600 |
| Outdoor Programs | 233,840 | 236,381 | 235,290 | 233,380 |
| Parks Maintenance | 1,538,402 | 1,545,766 | 1,474,017 | 1,643,054 |
| Museum | 433,911 | 469,147 | 419,403 | 493,773 |
| Cultural Arts | 1,349,914 | 687,005 | 676,949 | 687,713 |
| Sports Complex | 1,097,560 | 1,455,042 | 1,424,942 | 1,392,241 |
| Imperial Centre Buildings | 303,820 | 1,415,498 | 1,466,749 | 1,368,331 |
| Parks & Recreation Total | \$ 7,033,085 | \$ 8,748,070 | \$ 8,558,326 | \$ 8,241,176 |
| Planning | | | | |
| Administration | \$ 492,675 | \$ 561,944 | \$ 445,232 | \$ 490,820 |
| Inspections | 611,676 | 578,217 | 581,968 | 750,428 |
| Community Development | 306,319 | 384,819 | 360,037 | 355,220 |
| Planning Total | \$ 1,410,670 | \$ 1,524,980 | \$ 1,387,237 | \$ 1,596,468 |
| General Fund Total | \$ 42,224,913 | \$ 48,706,095 | \$ 44,921,282 | \$ 49,765,270 |
| Powell Bill Fund | | | | |
| Capital Projects | \$ 2,044,411 | \$ 4,062,320 | \$ 3,462,320 | \$ 2,131,000 |
| Powell Bill Fund Total | \$ 2,044,411 | \$ 4,062,320 | \$ 3,462,320 | \$ 2,131,000 |
| E-911 Fund | | | | |
| E-911 Maintenance | \$ 203,789 | \$ 380,000 | \$ 360,000 | \$ 390,000 |
| | \$ 203,789 | \$ 380,000 | \$ 360,000 | \$ 390,000 |
| E-911 Fund Total | | | | |
| Debt Service Fund | | | | |
| Debt Service Payments | \$ 3,262,728 | \$ 3,459,768 | \$ 3,459,768 | \$ 2,631,285 |
| Debt Service Fund Total | \$ 3,262,728 | \$ 3,459,768 | \$ 3,459,768 | \$ 2,631,285 |
| General Capital Fund | | | | |
| Downtown Development | \$ - | \$ 340,000 | \$ 340,000 | \$ - |
| General | 136,122 | 45,000 | 45,000 | 105,000 |
| Public Safety | 65,665 | 884,350 | 784,350 | 455,000 |
| Parks & Recreation | 1,251,939 | 1,004,100 | 1,004,100 | 1,265,000 |
| Economic Development | 2,542 | 50,000 | 50,000 | 100,000 |
| General Capital Fund Total | \$ 1,456,268 | \$ 2,323,450 | \$ 2,223,450 | \$ 1,925,000 |

Expenditures

| | FY 2005-06 Actual | FY 2006-07 Budget | FY 2006-07 Projected | FY 2007-08 Proposed |
|-----------------------------------|-----------------------|-----------------------|-------------------------|------------------------|
| Electric Fund | | | | |
| Administration | \$ 233,259 | \$ 322,027 | \$ 301,977 | \$ 365,821 |
| Communications Support | 600,903 | 643,222 | 638,722 | 692,643 |
| Electric Distribution | 73,133,621 | 82,354,509 | 78,427,896 | 77,331,755 |
| Energy Services | 1,245,552 | 1,362,652 | 1,301,289 | 1,580,204 |
| Engineering | - | - | - | 1,274,942 |
| Electric Capital | 2,100,376 | 3,197,418 | 3,143,050 | 2,076,000 |
| Electric Fund Total | \$ 77,313,711 | \$ 87,879,828 | \$ 83,812,934 | \$ 83,321,365 |
| Gas Fund | | | | |
| Gas Distribution | \$ 31,923,357 | \$ 27,211,874 | \$ 29,218,525 | \$ 29,024,968 |
| Gas Capital | 1,074,490 | 850,000 | 850,000 | 900,000 |
| Gas Fund Total | \$ 32,997,847 | \$ 28,061,874 | \$ 30,068,525 | \$ 29,924,968 |
| Water Fund | | | | |
| Administration | \$ 3,506 | \$ - | \$ (9,950) | \$ - |
| Technical Services | (74,673) | 8,670 | (86,925) | - |
| Treatment Services | 6,180,759 | 6,704,837 | 6,781,910 | 7,005,259 |
| Water Services | 2,554,906 | 2,445,381 | 2,407,484 | 2,486,072 |
| Water Capital | 2,068,226 | 2,785,950 | 2,725,866 | 945,000 |
| Water Fund Total | \$ 10,732,725 | \$ 11,944,838 | \$ 11,818,385 | \$ 10,436,331 |
| Sewer Fund | | | | |
| Wastewater Treatment | \$ 6,934,432 | \$ 7,779,109 | \$ 7,507,855 | \$ 7,788,650 |
| Sewer Services | 2,452,283 | 2,623,289 | 2,555,549 | 2,766,586 |
| Sewer Capital | 2,803,810 | 5,321,875 | 5,193,055 | 2,236,000 |
| Sewer Fund Total | \$ 12,190,525 | \$ 15,724,273 | \$ 15,256,459 | \$ 12,791,236 |
| Stormwater Fund | | | | |
| Administration | \$ 832,395 | \$ 770,369 | \$ 733,281 | \$ 717,401 |
| Operations | 1,850,733 | 2,152,081 | 2,029,745 | 2,073,599 |
| Stormwater Capital | 255,969 | 1,423,200 | 1,206,300 | 650,000 |
| Stormwater Fund Total | \$ 2,939,097 | \$ 4,345,650 | \$ 3,969,326 | \$ 3,441,000 |
| Canteen Fund | | | | |
| Canteen | \$ 216,686 | \$ 670,066 | \$ 207,020 | \$ 677,100 |
| Canteen Fund Total | \$ 216,686 | \$ 670,066 | \$ 207,020 | \$ 677,100 |
| Risk Management Fund | | | | |
| Risk Management | \$ 5,214,519 | \$ 5,484,800 | \$ 4,900,000 | \$ 5,484,800 |
| Risk Management Fund Total | \$ 5,214,519 | \$ 5,484,800 | \$ 4,900,000 | \$ 5,484,800 |
| Proposed Budget Total | \$ 190,797,219 | \$ 213,042,962 | \$ 204,459,469 | \$ 202,919,355 |

Utilities Strategic Plan

Publicly owned utilities across the country are facing a variety of economic challenges and societal pressures. Here in Rocky Mount, we have four utilities that provide reliable and quality energy and resource services: electric, gas, water and wastewater. In this era of change and uncertainty in the energy industry, utilities such as the City of Rocky Mount Public Utilities, which have built a solid track record of performance, cannot rely on its past performance and past customer loyalty to sustain the organization.

In 1995, the leadership of the City of Rocky Mount and its public utilities chose to embark on a strategic management process that will allow the City to pursue its concept of “one utility—one future” and together to “learn its way to the future.” Since that time, cross-functional teams have worked on various action plans developed to support the City’s vision “To be the leader in service, performance and innovation.”

The current phase of activities consists of a number of initiatives, including:

- Development and implementation of a user group for the Customer Information System.
- Improvements to the utilities dispatch system.
- Development and implementation of a mission/goal based measurement scorecard.
- Implementation of a work order system to support and supplement benchmarking and existing MIS data.

For more information, see the complete Utilities Strategic Plan.

Focus Areas and Action Plans

On March 31, 1997, Mayor Frederick E. Turnage and members of the City Council developed and adopted a Vision Statement for the City of Rocky Mount which reflects what they desire our City to be in the future. To help realize the Vision, the City Council identified specific Focus Areas as their priorities in the years ahead, along with the Action Plans, as outlined in the following pages.

Vision of the City of Rocky Mount

Rocky Mount is a City composed of people of diverse backgrounds, heritages and interests with a shared sense of values, stewardship and community.

It is a City where all citizens have the opportunity to realize their full potential through individual initiative and community support.

Its citizens enjoy and value the benefits of efficient, cost-effective and responsive public services, and a strong and diversified economy and superior cultural and educational resources.

Rocky Mount recognizes and appreciates its history while responding to the challenges and opportunities of regional and global change in a proactive and realistic manner.

Focus on Economic Development

Rocky Mount aspires to be a progressive and growing city with ample opportunities for its citizens to prosper and enjoy a high standard of living. Private sector commerce with productive and profitable business and industry is vital to the future prosperity and development of the city and region.

In order to create and maintain a strong and diversified local economy, existing businesses must succeed, new and better jobs must be created and new capital investment must be secured.

The City of Rocky Mount will develop and implement a plan to be a leader in (1) establishing a positive business climate; (2) providing quality public services and utilities necessary for growth; (3) investing in the community infrastructure; (4) assisting in the creation, retention and expansion of local businesses; and (5) working cooperatively with its regional partners in attracting new business and industry to the area.

GOAL 1: Promote a Positive Business Climate in Rocky Mount

Action Plan:

- A. Provide quality, reliable and competitively priced public utilities by implementing the Rocky Mount Public Utility Strategic Plan.
- B. Facilitate and encourage development through effective, helpful, responsive, and reasonable regulatory and review procedures and policies.
- C. Maintain productive and supportive business-government relationship and cooperation in community affairs and activities.
- D. Plan for and invest in a well-rounded public infrastructure.
- E. Maintain local fiscal, political and economic stability and a positive local government image.
- F. Revitalize the central city and reverse negative perception of deterioration.

GOAL 2: Provide Quality Public Services and Utilities Necessary for Growth

Action Plan:

- A. Provide sufficient water supply for the area by:
 - 1. implementing the Tar River Reservoir Water Supply Management Plan,

Focus Areas and Action Plans

- 2. initiating conceptual planning for the Roanoke River water supply,
- 3. evaluating the potential for a "reuse" water system
- B. Regularly expand the boundaries of the city as growth and development occurs through adjustments of the ETJ and annexations.
- C. Facilitate growth and development in selected undeveloped and underdeveloped areas through utility system extensions
- D. Increase and influence growth and development through the adoption of a comprehensive plan and utility extension policies.
- E. Position the City of Rocky Mount Public Utilities to succeed in the future by implementing the Utility Strategic Plan.

GOAL 3: Invest in the Community Infrastructure

Action Plan:

- A. Concurrently with preparation of the City's Comprehensive Plan, prepare long-range system plans for:
 - 1. electric and gas systems
 - 2. water and sewer systems
 - 3. drainage system
 - 4. thoroughfare and transportation systems
 - 5. transit system
 - 6. open space, parks and recreation facilities
 - 7. central city
 - 8. Rocky Mount-Wilson Airport
- B. Proceed immediately with construction of vital public facilities including:
 - 1. New library
 - 2. Transportation Center
 - 3. Greenway
 - 4. Martin Luther King Park
- C. Initiate, participate in, and assist with comprehensive central city revitalization
- D. Pursue joint public-private development of a civic center.
- E. Eliminate neighborhood and housing deficiencies through implementation of CDBG Consolidated Plan and comprehensive code enforcement.
- F. Participate in the development of a quality business park in the city.
- G. Initiate the development of a community technology plan.
- H. Assist the private sector and both counties in improving local school systems and facilities.
- I. Encourage public and private providers to improve and expand health care services and facilities.

GOAL 4: Assist in the Creation, Retention and Expansion of Local Businesses

Action Plan:

- A. Implement the CRMPU's key customer program.
- B. Partner with the Chamber of Commerce and Carolinas Gateway Partnership in developing and implementing an expanded existing industry and business program.
- C. Extend utilities to undeveloped and underdeveloped areas to facilitate growth and expansion.
- D. Actively pursue the construction of a civic center.
- E. Assist the Chamber of Commerce with expansion of travel and tourism programs and facilities.

GOAL 5: Work Cooperatively with Regional Partners to Attract New Business and Industry to the Area.

Action Plan:

- A. Actively participate in and provide leadership and support to the Carolina's Gateway Partnership (CGP).
- B. Assist CGP in developing a marketing plan for Rocky Mount.
- C. Assist CGP in developing an incentive policy for new business and industry.
- D. Appropriately invest in necessary incentives to attract new business and industry to include extension of utilities to industrial parks.
- E. Continue Small Business Recruitment Program.
- F. Prepare and adopt statement of the City's goals and objectives and priorities for economic development.

Focus Areas and Action Plans

Focus on Building Relationships

Rocky Mount is a community where differences are embraced, individual values are respected and concerns are shared regardless of position or geographic location. Members of the City Council collectively represent the community and are sensitive to the diversity of all its citizens and neighboring communities.

Inclusiveness, trust and respect among members is vital to sustaining confidence and trust in government to constituents and other governmental entities.

The Rocky Mount City Council will lead by example to (1) build strong internal and external relationships and communication; (2) strengthen relationships with other governmental entities; (3) encourage public involvement and participation; and (4) make sound decisions based on the good of the entire community.

GOAL 1: Build Strong Internal and External Relationships and Communications

Action Plan:

- A. The Mayor and City Council members will participate in the following:
 - 1. Orientation for newly elected officials
 - 2. Orientation for new employees
 - 3. Neighborhood, church and civic club meetings.
- B. The Mayor and City Council members will meet periodically with Chairpersons of City Boards, Commissions and Committees.
- C. Encourage periodic updates on all projects underway in each City department.
- D. Educate the public of the role and areas of responsibility of the Mayor and City Council.
- E. Develop a Citizen Response Line.
- F. Review new avenues to get information to the press.
- G. Dedicate time to discuss the role and function of City Departments and Operations and the City Manager's philosophy.

GOAL 2: Strengthen and Maintain Relationships with other Governmental Entities

Action Plan:

- A. Be open and available for communication and discussion to all.
- B. Encourage and support Mayor and City Council Members to be active in state and regional organizations.
- C. Meet periodically with Nash and Edgecombe County Commissioners, Legislators, Congress Members, representatives on State Boards and members of area municipalities.
- D. Become more aware of County matters that impact our City and encourage the City Manager to periodically report on County matters.

GOAL 3: Encourage Public Involvement and Participation

Action Plan:

- A. Consider conducting informational meetings in neighborhoods.
- B. Encourage the Mayor and City Council Members to actively solicit individuals to serve on City Boards, Commissions and Committees.
- D. Conduct public hearings with a sensitivity to citizen's concerns and assisting citizens to understand the public hearing process and its purpose.
- E. Produce a brochure on City Boards, Commissions and Committees.
- F. Encourage the paper to periodically highlight a City Board, Commission or Committee.
- G. Continue publishing the agenda on C.I.T.Y. TV 19

Focus Areas and Action Plans

GOAL 4: Make Decisions Based on the Overall Good of the Community

Action Plan:

- A. Insist upon making decisions based on the best and most accurate information available.
- B. Hear all sides of the issue and keep an open mind before making decisions.
- C. Recognize representations of individual wards, but make decisions guided by community good.

Focus on City Services, Organization and Infrastructure

To be recognized as a progressive and livable community where government is respected for responsiveness to its citizens, City services must be equitable, efficient, effective and customer focused. Emphasis on maintaining and expanding the public infrastructure is also required to meet current and future community needs.

In order to provide quality public facilities and services, employees, management and elected officials must work together to create and maintain an organizational commitment to superior performance, exceptional customer service, and the attainment of goals and objectives.

To achieve this level of excellence, the City of Rocky Mount will develop and implement a plan to assess, measure, and improve service delivery and infrastructure through investment and allocation of resources, efficient and cost-effective operations, innovation, technology, and responsiveness to change.

GOAL 1: Improve City Service Delivery

Action Plan

- A. Increase employee skills and knowledge base.
- B. Monitor the marketplace to assess the City's competitive position with respect to the delivery of various services.
- C. Solicit citizen support for Services.
- D. Develop a performance measurement system for all City.

Goal 2. To Maintain and Organizational Commitment to Superior Performance and Exceptional Customer Service

Action Plan

- A. Implement FOCUS (For Our Customers...Ultimate service)
- B. Implement aggressive training program
- C. Provide a diverse training program

Goal 3. Improve, Maintain and Develop City Infrastructure

Action Plan

- A. Develop policies governing the expansion of the City's infrastructure (related particularly to water, sewer, and street improvements) that allow the City to guide development.
- B. Coordinate with Nash and Edgecombe Counties on planning infrastructure improvements.
- C. Develop a five year plan for the maintenance and expansion of the City's infrastructure that is fundable without incurring long term debt obligations.

Focus on Neighborhoods

Rocky Mount aspires to be a city with safe, secure and attractive neighborhoods where community identity and pride is evident and cultural diversity is celebrated.

Focus Areas and Action Plans

In order to preserve, protect, restore and revitalize neighborhoods in Rocky Mount, a concerted effort of our citizens with the support of City leaders, City employees, non-profit organizations and corporate citizens is required.

The City of Rocky Mount will develop and implement a plan to assist in the improvement, revitalization and preservation of neighborhoods, which will include an emphasis on housing, public safety, infrastructure, open space and recreation, community appearance and neighborhood services.

GOAL 1: Enhance community pride and neighborhood identity

Action Plan:

- A. Strengthen the Minimum Housing Code.
- B. Provide leadership development training for neighborhood organizations.
- C. Expedite process for bringing houses up to standards.
- D. Remove slum and blight.
- E. Update Open Space Plan.
- F. Review recreational programs and enhance and implement appropriate changes.
- G. Formalize Historic Preservation Commission.
- H. Reinstitute Improvement awards - Chamber.
- I. Review programs for teens such as hosting teen summit; utilizing the Youth Council; and developing teen centers.
- J. Revitalize Downtown
- K. Develop neighborhood plans.
- L. Identify sources of funds for loans to investors.
- M. Utilize facilities, students and faculty at NC Wesleyan

GOAL 2: Insure that all citizens of Rocky Mount live and work in safe and secure neighborhoods.

Action Plan:

- A. Organize Community Watch.
- B. Implement city wide community policing; implement beat structure and enforce truancy laws.
- C. Establish after-school programs.
- D. Purchase Mobile Police Station.
- E. Establish Citizen Police Academy.
- F. Explore different policing techniques.
- G. Develop more aggressive crime prevention program.
- H. Review street lights policy; research type of lights; and utilize brighter lights.
- I. Discourage non-conforming commercial uses.
- J. Remove drug, alcohol and crack houses.
- K. Educate and empower neighborhoods.
- L. Adopt Fire Code.

GOAL 3: Encourage the preservation, restoration, and revitalization of all neighborhoods.

Action Plan:

- A. Identify economic incentive; seek grant funds; and Utilize CDBG funds on distressed neighborhoods.
- B. Seek technical assistance funds to assist owners.
- C. Educate public on value of preservation.
- D. Encourage home ownership.
- E. Develop neighborhood plans.
- F. Consider impact of future development.
- G. Review existing public facilities and enhance as appropriate.
- H. Emphasize history and notable personality of Rocky Mount.
- I. Encourage community involvement.
- J. Encourage new development in existing neighborhoods.
- K. Encourage sidewalks in new developments.

Grant Positions

The City of Rocky Mount is fortunate to have a number of grant funded positions. The Table below identifies these positions and the activity for which or from which funds are received. In addition to these positions, the City received reimbursement from the State Department of Transportation for transportation related activities. These reimbursements offset the salaries, wages and benefits of the eligible employees.

| Position | Activity | Number |
|-------------------------------------|---------------------------|---------------|
| Transit Administrator | Transit | 1 |
| Secretary | Transit | 1 |
| Mechanic | Transit | 2 |
| Police Officers | School Resources Officers | 4 |
| Police Officers | Housing Authority | 1 |
| Community Development Administrator | CBDG | 1 |
| Community Development Technician | CBDG | 1 |
| Housing Rehab Specialist | CBDG | 1 |
| Community Development Specialist | CDBG | 1 |
| Total | | 13 |

Organization Chart

City of Rocky Mount

